

AMENDED IN ASSEMBLY APRIL 7, 2015
AMENDED IN ASSEMBLY MARCH 17, 2015
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 422

Introduced by Assembly Member McCarty

February 19, 2015

An act to add Section 102584 to the Public Utilities Code, relating to transit.

LEGISLATIVE COUNSEL'S DIGEST

AB 422, as amended, McCarty. Sacramento Regional Transit District: line of credit.

Existing law provides for the creation of the Sacramento Regional Transit District, with specified powers and duties relative to the provision of public transit services. Existing law authorizes the district to engage in temporary borrowing, as specified.

This bill would authorize the district to seek and receive a short-term revolving line of credit for operating purposes in anticipation of receipt of operating grants, with the extension of credit to the district evidenced by a note, in addition to and as an alternative to temporary borrowing, as specified. The bill would authorize the district to pledge anticipated grants and other available funds as security for repayment of the note and would prescribe other terms.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 102584 is added to the Public Utilities
2 Code, to read:

3 102584. In addition to, and as an alternative to, the borrowing
4 authority in Section 102582, the district may seek and obtain a
5 short-term revolving line of credit for operating purposes in
6 anticipation of receipt of operating grants, with the extension of
7 credit to the district evidenced by a note. The district may pledge
8 the anticipated grants and any other funds available to the district,
9 including, but not limited to, fare revenues collected by the district
10 in connection with the operation of its transit system and any other
11 revenues, income, or receipts, as security for repayment of the
12 note, the interest on the note, and the related obligations evidenced
13 by the note. The note shall have a maturity date of not more than
14 60 months from the date of issuance. The district may pledge
15 anticipated operating grants and other available funds over a
16 multiyear period.~~The Notwithstanding the 60-month maturity~~
17 ~~period for the line of credit, the maximum indebtedness under the~~
18 ~~note shall not exceed the maximum amount in federal operating~~
19 ~~grant revenues that the district anticipates receiving in a single~~
20 ~~fiscal year, and shall not exceed 85 percent of the amount of the~~
21 ~~anticipated grants and other funds that the district anticipates~~
22 ~~receiving in a single fiscal year that are pledged to repay the note,~~
23 ~~the interest on the note, and the related obligations evidenced by~~
24 ~~the note.~~